

WASHINGTON DC – Today, US Congressman Honda introduced H.R. 6626, The Healthcare Innovation and Marketplace Technologies Act (HIMTA), to foster more innovation in the health care industry through the development of marketplace incentives, challenge grants, and increased workforce retraining – all of which will be critical in creating a 21st century healthcare system.

“As we continue to improve our health care system, technology can and should play a prominent role in achieving better care for Americans,” said Rep Honda. “Investments, development, and adoption of technologies remain stagnant. Why have the principles of Silicon Valley, which I represent – competition, innovation, and entrepreneurship – not fully manifested themselves in the healthcare information technology space? □ This bill gets us closer to that space.”

“Currently, our healthcare system works against small-to-large startup entrepreneurs with a multitude of barriers to entry,” continued Honda. “There is also a lack of an established marketplace for new technologies and a lack of trained workers to handle the implementation and use of these technologies. This bill begins to bridge these gaps.”□

Specifically, Healthcare Innovation and Marketplace Technologies Act bill does the following:

Removes Barriers in Wireless Health□

The bill establishes an Office of Wireless Health at the Food and Drug Administration (FDA) that will coordinate with other governmental agencies and private industry to provide recommendations to the FDA Commissioner on how to develop and maintain a consistent, reasonable, and predictable regulatory framework on wireless health issues. This office will not expand the mandate or responsibilities of the FDA, but rather it will seek to better clarify and simplify existing regulations while providing sorely needed expertise in this important field.

The bill will also establish a mHealth developer support program at the Department of Health and Human Services to help mobile application developers build their devices in line with current privacy regulations. This program will provide an array of support resources such as a national hotline, an educational website, and a yearly report that will help translate the wide array of privacy guidelines into common English.

Focus on the development of new technologies

To help foster greater interest in developing the health technologies of tomorrow, the bill mandates the creation of a prize program and small innovator challenge grants that incentivize risk-taking and attract outside investment in order to stimulate new approaches. The Disruptive

Technologies Prize Program creates a commission of private industry, patient safety/privacy advocates, medical professionals, and government officials to recommend three major areas of the health information technology space that have not seen enough innovation. It then creates a competitive prize program (similar to the X-Prize Foundation competition for private manned space flight) to attract private investment in these three areas, thereby fostering a competitive atmosphere to create the game-changing technologies of tomorrow. The program mandates that any submission substantially improve quality of care, reduce costs, and be market viable. Additionally, the challenge grant program provides grants to small innovators working in garages and home offices around the nation and the critical seed funding necessary to make their ideas a reality.

Creates a Marketplace for Innovation

In recognition of the fact that lack of capital is one of the biggest barriers to purchasing health information technology, the bill creates a low-interest small business loan program to clinics and physician offices for the purchasing of new health information technologies and services. It also creates a tax incentive program that allows medical care providers to deduct costs related to non-EHR health care information technology.

Workforce Retraining

Finally, the bill establishes two-year grants to assist medical care providers in retraining their employees into new positions that use health information technology.

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